

Audit Issues and Closure Report

Client Name: GBR Technologies

Audit No: GBR25-1 - PCAOB Audits

| SI No | Workpaper Ref | CAM | Exceeded Materiality | Deviations/ Exceptions Noted | Conclusion | Type of Test | Status | Description & Reason for selection as CAM | Audit Procedure undertaken to address the CAM |
|-------|------------------------|--|----------------------|--|--|-------------------------|--------|--|---|
| 1 | Trade payable Invoices | 1. Obtained List of creditors and checked for the disputed creditors. 2. Verified and checked Creditor Ageing. 3. Obtained vendor wise list of open invoices. 4. Obtained confirmations from vendors. | NA | 1. Obtained List of creditors and checked for the disputed creditors. 2. Verified and checked Creditor Ageing. 3. Obtained vendor wise list of open invoices. 4. Obtained confirmations from vendors. | 1. Obtained List of creditors and checked for the disputed creditors. 2. Verified and checked Creditor Ageing. 3. Obtained vendor wise list of open invoices. 4. Obtained confirmations from vendors. | Inquiry, Inspection | WIP | Significant issues identified in TRACE Payables invoices | Discussed the procedure to follow with the team |
| 2 | Going Concern | Evaluated the adequacy of disclosures to check if material uncertainty exists. Observed some minor material | NA | If there are indicators that may cast significant doubt on going concern | Evaluated the adequacy of disclosures to check if material | Observation, Inspection | WIP | | |

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| 2 | Going Concern | inconsistencies. | NA | <p>assumption, review business plan and projected future cash flow by understanding the assumption, reasonableness of assumptions and assess possibility of turnaround based on which accept using going concern assumption for balance sheet preparation.</p> <p>Audit evidence to be obtained to establish the fact that these plans are feasible, and are likely to be implemented and the outcome of these plans will improve the situation & also seek</p> | uncertainty exists. Observed some minor material inconsistencies. | Observation, Inspection | WIP | | |

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| 2 | Going Concern | Evaluated the adequacy of disclosures to check if material uncertainty exists. Observed some minor material inconsistencies. | NA | management representation wherever required regarding these plans | Evaluate d the adequacy of disclosures to check if material uncertainty exists. Observed some minor material inconsistencies. | Observation, Inspection | WIP | | |
| 3 | Subsequent Events | The purpose of this work paper is to document the procedures adopted in checking for subsequent events as per Standard on Auditing (SA) 560 issued by ICAI, document key observations, if any and, form conclusions as to the adjusting or non-adjusting nature of the event in order to conclude that if any event needs to be adjusted or disclosed in the financial statements ended | NA | On the basis of audit procedure, we found out that nothing adverse was observed for auditors to write any significant observation. | The purpose of this work paper is to document the procedures adopted in checking for subsequent events as per Standard on Auditing (SA) 560 issued by ICAI, document key | Inquiry, Inspection | WIP | | |

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|-------|----------------------------|---|----------------------|--|--|-------------------------|--------|---|---|
| 3 | Subsequent Events | 31st March, 20xx. | NA | On the basis of audit procedure, we found out that nothing adverse was observed for auditors to write any significant observation. | observations, if any and, form conclusions as to the adjusting or non-adjusting nature of the event in order to conclude that if any event needs to be adjusted or disclosed in the financial statements ended 31st March, 20xx. | Inquiry, Inspection | WIP | | |
| 4 | Related Party Transactions | The purpose of the workpaper is to justify the existence and ensure the completeness of the related party transactions as per list of the related | NA | Variance analysis: There have not been any additions in the List of the related parties during the year. | The purpose of the workpaper is to justify the existence and | Observation, Inspection | WIP | | |

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| 4 | Related Party Transactions | parties provided by the management. | NA | However, the transaction with them varies. | ensure the completeness of the related party transactions as per list of the related parties provided by the management. | Observation, Inspection | WIP | | |
| 5 | Journal Entries | Specific Invoice number has been verified on sample basis & effect of the same on the Income/ Expenditure & Asset/Liabilities has been crossly reconciled. | NA | 1. Period for which journal entry passed has been verified based on the date of entry. 2. Checked the nature of expenditure/ income & effect of the same on prior period financial statements. 3. The same has been verified on the basis of GL effecting the Financial Statements. | Specific Invoice number has been verified on sample basis & effect of the same on the Income/ Expenditure & Asset/Liabilities has been crossly reconciled. | Inquiry, Examination, Inspection | WIP | | |